

# TASIC & PARTNERS

ADVOKATI • ATTORNEYS AT LAW



## NEWSLETTER

**02/02/2021**

### *Financial support programs for small and medium companies*

The Government of the Republic of Serbia at the session held on **January 21, 2021**, adopted four decrees published in the "Official Gazette of RS", no. 5/21, with programs of financial support of the Ministry of Economy intended for small and medium companies, for which a total of two billion dinars was allocated:

1. ***Decree on determining the program of support for small and medium companies for the procurement of equipment in 2021*** - this program provides 1.55 billion dinars that are intended for the procurement of equipment, of which the non-refundable part can be up to 25% of funds, 70% shall be obtained from the bank or a leasing house, and 5% is provided by the company itself. A public call for partner banks and leasing companies that provide co-financing in this program is expected in early

February, after which public calls for grants for micro, small and medium companies, entrepreneurs and cooperatives will be published.

2. ***Decree on determining the program to encourage the development of entrepreneurship through financial support for business start-ups in 2021*** - 150 million dinars is set aside for the implementation of this program, and the Ministry of Economy co-finances 30 that is 40% of total investments for businesses from underdeveloped local governments while the rest is obtained from a loan from the Development Fund. Those who plan to invest at least 400,000 dinars to a maximum of six million dinars shall apply for these funds.
3. ***Decree on determining the programs to encourage entrepreneurship through development projects in 2021*** - 200 million dinars is provided for the realization of this program. Business entities have the right to grants in the amount of up to 20, that is 30% of investments for business entities belonging to the fourth development group, while the rest will be provided in the form of a favorable loan from the Development Fund.
4. ***The Decree on determining the program to encourage the development of entrepreneurship through financial support for women entrepreneurs and young people in 2021*** - prescribes a program intended for women and young people up to 30 years of age, for the realization of which 100 million dinars have been allocated. Grants make up 35, that is 45% of the planned investments and the remaining amount of the project value will be financed from a favorable loan from the Development Fund.

At the session held on **January 28, 2021**, in order to prepare for participation in the process of economic and fiscal supervision of the member states of the European Union, the Government of the Republic of Serbia adopted the Program of Economic Reforms for the period from 2021 to 2023. Within this program, priority structural reforms will relate to: energy and transport markets, agriculture, industry and services, business environment and the fight against the gray economy, research, development and innovation and digital transformation, reforms in the field of economic integration, education and skills, employment and the labor market, as well as health and social protection.

In addition, the following decrees are adopted and published in the "Official Gazette of RS", no. 6/2021:

1. ***Decree on determining the Program for the promotion and popularization of innovations and innovative entrepreneurship for 2021*** - for the realization of which 70 million dinars have been provided.
2. ***Decree on determining the Program of support for the development and promotion of women's innovative entrepreneurship for 2021*** - 100 million dinars of support were allocated for the realization of this program.

The funds provided by these programs will be used to promote and popularize innovation and women's innovative entrepreneurship at the national and local levels, as well as to directly support the realization of their entrepreneurial ideas and achieve a more significant role of women entrepreneurs in the market.

For all additional questions, explanations and assistance in applying for funds, you can contact the Tasić & Partners team at +381 11 6302233 or via e-mail at [office@tasiclaw.com](mailto:office@tasiclaw.com).